

House Study Bill 634 - Introduced

HOUSE FILE _____

BY (PROPOSED COMMITTEE ON
LOCAL GOVERNMENT BILL BY
CHAIRPERSON WAGNER)

A BILL FOR

1 An Act relating to property tax assessments by modifying
2 the requirements for certain notice and protest periods,
3 authorizing local boards of review to allow electronic
4 filing of assessment protests, and including applicability
5 provisions.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 427.1, subsection 18, Code Supplement
2 2011, is amended to read as follows:

3 18. *Assessed value of exempt property.* Each county and city
4 assessor shall determine the assessment value that would be
5 assigned to the property if it were taxable and value all tax
6 exempt property within the assessor's jurisdiction. A summary
7 report of tax exempt property shall be filed with the director
8 of revenue and the local board of review on or before April ~~16~~ 6
9 of each year on forms prescribed by the director of revenue.

10 Sec. 2. Section 427.16, subsection 5, Code 2011, is amended
11 to read as follows:

12 5. Real property designated for the tax exemption shall
13 be designated by April ~~15~~ 5 of the assessment year in which
14 the fiscal year begins for which the exemption is granted.
15 Notification shall be sent to the county auditor and the
16 applicant.

17 Sec. 3. Section 437A.16A, subsection 1, paragraph b, Code
18 2011, is amended to read as follows:

19 b. Following the March 31 due date for the replacement
20 tax return as required by section 437A.8, the director shall
21 annually determine the assessed value of the new cogeneration
22 facility exempt property by dividing the prior year's
23 replacement tax liability attributable to that facility by
24 the current fiscal year's consolidated taxing district rate
25 for the taxing district where the facility is located, then
26 multiplying the quotient by one thousand. The director shall
27 certify this value to the local assessor on or before April ~~10~~
28 5 of the current calendar year. The assessor shall apply this
29 certified value as a credit against the total assessed value of
30 the facility. The allowable credit shall not exceed the total
31 value of the new cogeneration facility as determined by the
32 local assessor for the assessment year and any excess credits
33 shall not be applied to any other assessment year.

34 Sec. 4. Section 441.23, Code 2011, is amended to read as
35 follows:

1 **441.23 Notice of valuation.**

2 If there has been an increase or decrease in the valuation
3 of the property, or upon the written request of the person
4 assessed, the assessor shall, at the time of making the
5 assessment, inform the person assessed, in writing, of the
6 valuation put upon the taxpayer's property, and notify the
7 person, that if the person feels aggrieved, to appear before
8 the board of review and show why the assessment should be
9 changed. However, if the valuation of a class of property
10 is uniformly decreased, the assessor may notify the affected
11 property owners by publication in the official newspapers of
12 the county. The owners of real property shall be notified not
13 later than April ~~15~~ 5 of any adjustment of the real property
14 assessment.

15 Sec. 5. Section 441.26, subsections 1 and 2, Code Supplement
16 2011, are amended to read as follows:

17 1. The director of revenue shall each year prescribe
18 the form of assessment roll to be used by all assessors in
19 assessing property, in this state, also the form of pages of
20 the assessor's assessment book. The assessment rolls shall
21 be in a form that will permit entering, separately, the names
22 of all persons assessed, and shall also contain a notice in
23 substantially the following form:

24 If you are not satisfied that the foregoing assessment is
25 correct, you may file a protest against such assessment with
26 the board of review on or after April ~~16~~ 6, to and including May
27 5, of the year of the assessment, such protest to be confined
28 to the grounds specified in section 441.37.

29 Dated: .. day of ... (month), .. (year)

30

31 County/City Assessor.

32 2. The notice in 1981 and each odd-numbered year thereafter
33 shall contain a statement that the assessments are subject
34 to equalization pursuant to an order issued by the director
35 of revenue, that the county auditor shall give notice on or

1 before October ~~15~~ 5 by publication in an official newspaper of
2 general circulation to any class of property affected by the
3 equalization order, and that the board of review shall be in
4 session from October ~~15~~ 6 to November ~~15~~ 5 to hear protests of
5 affected property owners or taxpayers whose valuations have
6 been adjusted by the equalization order.

7 Sec. 6. Section 441.28, Code 2011, is amended to read as
8 follows:

9 **441.28 Assessment rolls — change — notice to taxpayer.**

10 The assessment shall be completed not later than April ~~15~~ 5
11 each year. If the assessor makes any change in an assessment
12 after it has been entered on the assessor's rolls, the assessor
13 shall note on the roll, together with the original assessment,
14 the new assessment and the reason for the change, together with
15 the assessor's signature and the date of the change. Provided,
16 however, in the event the assessor increases any assessment
17 the assessor shall give notice of the increase in writing to
18 the taxpayer by mail postmarked no later than April ~~15~~ 5. No
19 changes shall be made on the assessment rolls after April ~~15~~
20 5 except by order of the board of review or of the property
21 assessment appeal board, or by decree of court.

22 Sec. 7. Section 441.37, subsection 1, paragraph a,
23 unnumbered paragraph 1, Code Supplement 2011, is amended to
24 read as follows:

25 Any property owner or aggrieved taxpayer who is dissatisfied
26 with the owner's or taxpayer's assessment may file a protest
27 against such assessment with the board of review on or
28 after April ~~16~~ 6, to and including May 5, of the year of the
29 assessment. In any county which has been declared to be a
30 disaster area by proper federal authorities after March 1
31 and prior to May 20 of said year of assessment, the board of
32 review shall be authorized to remain in session until June 15
33 and the time for filing a protest shall be extended to and
34 include the period from May 25 to June 5 of such year. Said
35 protest shall, except as provided in subsection 2A, be in

1 writing and signed by the one protesting or by the protester's
2 duly authorized agent. The taxpayer may have an oral hearing
3 thereon if, except as provided in subsection 2A, request
4 therefor in writing is made at the time of filing the protest.
5 Said protest must be confined to one or more of the following
6 grounds:

7 Sec. 8. Section 441.37, Code Supplement 2011, is amended by
8 adding the following new subsection:

9 NEW SUBSECTION. 2A. For assessment years beginning on or
10 after January 1, 2013, the board of review may allow property
11 owners or aggrieved taxpayers who are dissatisfied with the
12 owner's or taxpayer's assessment to file a protest against
13 such assessment by electronic means. The board of review
14 may authorize electronic filing of assessment protests for
15 the protest period that begins April 6, the protest period
16 that begins October 6, or both. If the board of review
17 approves the use of electronic filing, the board of review
18 shall develop a secure program that is accessible through
19 the assessor's internet site to allow for protests to be
20 filed electronically and shall include in the program a
21 method for providing electronic signatures for protests filed
22 electronically. All other requirements of this section for
23 an assessment protest to the board of review shall apply to a
24 protest filed electronically. If a board of review approves
25 the use of electronic filing, the availability of electronic
26 filing shall be clearly indicated on the assessment roll notice
27 provided to the property or owner and included in the published
28 equalization order notice.

29 Sec. 9. Section 441.49, subsection 2, paragraph a, Code
30 Supplement 2011, is amended to read as follows:

31 a. On or before October ~~15~~ 5 the county auditor shall cause
32 to be published in official newspapers of general circulation
33 the final equalization order. The publication shall include,
34 in type larger than the remainder of the publication, the
35 following statement:

1 Assessed values are equalized by the department of revenue
2 every two years. Local taxing authorities determine the final
3 tax levies and may reduce property tax rates to compensate for
4 any increase in valuation due to equalization.

5 Sec. 10. Section 441.49, subsection 4, Code Supplement
6 2011, is amended to read as follows:

7 4. The local board of review shall reconvene in special
8 session from October ~~15~~ 6 to November ~~15~~ 5 for the purpose of
9 hearing the protests of affected property owners or taxpayers
10 within the jurisdiction of the board whose valuation of
11 property if adjusted pursuant to the equalization order issued
12 by the director of revenue will result in a greater value than
13 permitted under section 441.21. The board of review shall
14 accept protests only during the first ten days following the
15 date the local board of review reconvenes. The board of review
16 shall limit its review to only the timely filed protests. The
17 board of review may adjust all or a part of the percentage
18 increase ordered by the director of revenue by adjusting the
19 actual value of the property under protest to one hundred
20 percent of actual value. Any adjustment so determined by
21 the board of review shall not exceed the percentage increase
22 provided for in the director's equalization order. The
23 determination of the board of review on filed protests is
24 final, subject to appeal to the property assessment appeal
25 board. A final decision by the local board of review, or the
26 property assessment appeal board, if the local board's decision
27 is appealed, is subject to review by the director of revenue
28 for the purpose of determining whether the board's actions
29 substantially altered the equalization order. In making the
30 review, the director has all the powers provided in chapter
31 421, and in exercising the powers the director is not subject
32 to chapter 17A. Not later than fifteen days following the
33 adjournment of the board, the board of review shall submit to
34 the director of revenue, on forms prescribed by the director, a
35 report of all actions taken by the board of review during this

1 session.

2 Sec. 11. APPLICABILITY. This Act applies to assessment
3 years beginning on or after January 1, 2013.

4 EXPLANATION

5 This bill relates to property tax assessments by modifying
6 the requirements for certain notice and protest periods and
7 authorizing local boards of review to allow assessment protests
8 to be filed by electronic means.

9 Current Code section 441.23 requires notification to owners
10 of real property of any adjustment in their property tax
11 assessment not later than April 15 of the assessment year. The
12 bill changes the date required for such notice to April 5.

13 Current law provides that any property owner or aggrieved
14 taxpayer who is dissatisfied with the owner's or taxpayer's
15 assessment may file a protest against such assessment with the
16 board of review on or after April 16, to and including May 5, of
17 the year of the assessment. The bill modifies that time period
18 to file a protest to on or after April 6, to and including May
19 5.

20 Current law requires the county auditor to give notice of
21 the equalization orders issued by the department of revenue on
22 or before October 15 by publication in an official newspaper
23 of general circulation to any class of property affected by
24 the equalization order. The bill moves that publication date
25 to October 5. Under current law, the board of review is in
26 session from October 15 to November 15 to hear protests of
27 affected property owners or taxpayers whose valuations have
28 been adjusted by the equalization order. The bill modifies
29 that protest period to be from October 6 to November 5.

30 The bill modifies certain dates relating to property tax
31 exemptions under Code chapter 427 and taxes on electricity and
32 natural gas providers under Code chapter 437A to account for
33 modifications made to the requirements for notice and protest
34 periods under Code chapter 441.

35 The bill provides that for assessment years beginning on

1 or after January 1, 2013, the local board of review may allow
2 property owners or aggrieved taxpayers to file such protests
3 electronically. The bill allows the local board of review to
4 authorize electronic filing of assessment protests for the
5 regular protest period that begins April 6 under the bill, the
6 equalization protest period that begins October 6 under the
7 bill, or both. If the local board of review approves the use of
8 electronic filing, the board of review must develop a secure
9 program to allow for protests to be filed electronically and a
10 method for providing electronic signatures for protests filed
11 electronically and that is accessible through the assessor's
12 internet site. If a local board of review approves the use of
13 electronic filing, the availability of electronic filing is
14 required to be clearly indicated on the assessment roll notice
15 and included in the published equalization order notice.

16 The bill applies to assessment years beginning on or after
17 January 1, 2013.